

36.1
Gr
1936-38

Montana. Dept. of
State Lands and
Investments
Biennial report
for the period
beginning July 1
... and ending

COPIES

MONTANA



DEPARTMENT OF STATE LANDS AND INVESTMENTS

BIENNIAL REPORT

For the Period Beginning
JULY 1, 1936 AND ENDING
JUNE 30, 1938

NANITA B. SHERLOCK
Commissioner of State Lands and Investments



3 0864 1004 7690 5

JAN 20 74				

S/336.1/L3r/1938
Montana. State Lands, Department of
Report, 1936-38

MONTANA STATE LIBRARY
900 East Broadway Avenue
Helena, Montana 59601

MONTANA



DEPARTMENT OF STATE LANDS AND INVESTMENTS

BIENNIAL REPORT

For the Period Beginning
JULY 1, 1936 AND ENDING
JUNE 30, 1938

NANITA B. SHERLOCK
Commissioner of State Lands and Investments



MONTANA STATE LAND DEPARTMENT

STATE BOARD OF LAND COMMISSIONERS

Hon. Roy E. Ayers, Governor, President.

Hon. Ruth Reardon, Superintendent of Public Instruction.

Hon. Sam W. Mitchell, Secretary of State.

Hon. Harrison J. Freebourn, Attorney General.

OFFICERS OF THE DEPARTMENT OF STATE LANDS AND INVESTMENTS

NANITA B. SHERLOCK,

Commissioner of State Lands and Investments
and Secretary to the Board.

CURTIS BURNS	-	-	-	-	-	-	Assistant Commissioner
H. C. BIERING	-	-	-	-	-	-	Chief Field Agent
RUTLEDGE PARKER	-	-	-	-	-	-	State Forester (Missoula)

FEDERAL LAND GRANTS TO THE STATE OF MONTANA

Grant	Acres
Public School	5,188,000.00
State University	46,720.00
Agricultural College—Morrill Grant	90,000.00
Agricultural College—Second Grant.....	50,000.00
School of Mines	100,000.00
State Normal Schools	100,000.00
Deaf and Dumb Asylum	50,000.00
State Reform School	50,000.00
Public Buildings (State Capitol)	182,000.00
Soldiers' Home	1,275.61
"Militia Camp," now used as Agricultural Experi- ment Station	640.00
Agricultural and Manual Training School.....	2,000.00
State Penitentiary	9.75

CONTENTS

	Page No.	Table No.
Federal Land Grants to the State of Montana.....	4	
Letter of Transmittal.....	7	
Income From All Sources, 1936-1937.....	8	I
Income From All Sources, 1937-1938.....	9	II
Receipts for Permanent Funds, 1936-1937.....	10	III
Receipts for Permanent Funds, 1937-1938.....	11	IV
Receipts from State Lands and Permanent Funds by Years	12	V
Total Investments Made, 1936-1937.....	13	VI
Total Investments Made, 1937-1938.....	13	VII
Permanent Assets, June 30, 1937.....	14	VIII
Permanent Assets, June 30, 1938.....	15	IX
Total Gross Income, 1930-1938.....	16	X
Total Receipts for the Permanent Funds, 1930-1938....	17	XI
Comparison of Permanent Assets, 1930-1938.....	18	XII
Miscellaneous Items of Interest.....	19	
Detail of Investments Made, 1936-1937.....	20, 21	XIII
Detail of Investments Made, 1937-1938.....	22, 23	XIV
Summary of Land Sales for Biennium Ending June 30, 1938	24	XV
Summary of All Land Sales Up to June 30, 1938.....	25	XVI
Easement Deeds Issued, 1936-1938.....	26	XVII
Officers of State Land Department, 1891-1938.....	27	
Lands Unsold in Each Grant by Counties, June 30, 1938	28, 29	XVIII
Agricultural and Grazing Leases in Effect June 30, 1938	30	XIX
Oil and Gas, Coal, and Mining Leases in Effect June 30, 1938	31	XX
Leasing of State Lands for Oil and Gas, Coal and Minerals	31, 32	

CONTENTS — (Continued)

	Page No.	Table No.
Rentals and Royalties Received on Coal, Oil and Gas Leases, and Sand and Gravel Permits.....	33	XXI
Condition of State Farm Loans and Contracts, June 30, 1938	34	XXII
Pertinent Facts and Figures Relating to Farm Loans..	35, 36	
Apportionment of Public School Interest and Income Fund	37	XXIII
Income of Department Apportioned to Counties, 1930- 1938	38, 39	XXIV
Additions to the Public School Permanent Fund.....	40	XXV
Cost of Administration.....	41	XXVI

STATE OF MONTANA
BIENNIAL REPORT OF THE
COMMISSIONER OF STATE LANDS
AND INVESTMENTS

Helena, Montana
December 1, 1938

His Excellency, Roy E. Ayers,
Governor of the State of Montana.

Sir.

In accordance with Section 1805.10 of the Revised Codes of Montana, 1935, I herewith submit the Biennial Report of the Commissioner of State Lands and Investments for the two-year period beginning July 1, 1936, and ending June 30, 1938.

Respectfully submitted,

NANITA B. SHERLOCK,
Commissioner.

TABLE No. I.
INCOME FROM ALL SOURCES DURING FISCAL YEAR JULY 1, 1936, TO JUNE 30, 1937

Institutions and Funds to Which the Income Belongs	Rentals on Agricultural and Grazing Leases	Grazing Fees Collected by State Forester	Rentals on Oil and Gas Leases	Interest on Land Sales (C. P.'s)	Interest and Other Income from Mortg's	Interest on Bonds	Interest on Bank Deposits	Misc. Income	Fees Penalties Etc.	TOTALS
State General Fund	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....
Public Schools	170,915.05	5,949.05	25,159.50	75,567.13	8,585.76†	454,322.72	1,829.39	21,698.18†	6,162.29‡	17,092.88
State University	690.86	72.00		548.21	87,100.49	20,788.82		6,986.25†		858,113.60
Agricultural Col.—Morrill	3,104.59			510.78		20,463.35				22,099.89
Agricultural Col.—Second	589.72	541.83		1,032.29		9,722.92				24,078.72
School of Mines	1,878.13	325.58	720.00	1,993.48		27,019.38				11,886.76
State Normal Schools	2,153.82	301.21		467.38		14,873.63				31,936.57
Deaf and Dumb Asylum	1,174.55	453.85		112.32		7,624.35				17,796.04
State Reform School	1,182.55	47.50		142.80		8,209.10				9,365.97
Capitol Buildings	3,143.43	1,246.75	403.96	2,294.86						9,581.95
Soldiers' Home	13.60					152.98				7,089.00
Montana Tr. & Legacy Fund						8,290.72				166.58
Veterans' Memorial						1,275.56				8,290.72
O. H. & T. B. Society	5.00			63.52			4.45	522.09*		1,802.10
TOTALS	\$181,851.30	\$8,937.85	\$26,283.46	\$82,732.77	\$95,686.25	\$572,743.53	\$1,833.84	\$29,206.52	\$17,092.88	\$1,019,368.40

† Wheat Allotment Receipts.

‡ Electrical Energy Tax.

* Boxing Match Receipts from Counties.

The year 1936-37 witnessed the culmination of the drought era in Montana and the depletion of its herds and flocks and reduction of agricultural acreage. This situation is reflected in decreased grazing and agricultural rentals for this period. However, despite adverse conditions the farmers and stockmen of the state kept approximately three and a quarter million acres of state land under lease.

TABLE No. II.
INCOME FROM ALL SOURCES DURING FISCAL YEAR JULY 1, 1937, TO JUNE 30, 1938

Institutions and Funds to Which the Income Belongs	Rentals on Agricultural and Grazing Leases	Grazing Fees Collected by State Forester	Rentals on Oil and Gas Leases	Interest on Land Sales (C. F. S)	Interest and Other Income from Mortg's	Interest on Bonds	Wheat Allotment Payments	Misc. Income	Fees and Penalties	TOTALS
State General Fund.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	F %6,377.90 P %9,571.29	15,949.19
Public Schools.....	192,833.34	6,288.15	32,796.28	65,158.99	8,394.30†	431,341.00	25,978.56	10,051		891,233.55
State University.....	642.15	416.00		698.08	98,644.34	20,794.71		29,788.54‡		22,553.33
Agri. Col.—Morritt Grant	3,571.69			529.43		19,889.70		2.39*		24,488.82
Agri. Col.—Second Grant	647.20	1,011.26		3,376.42		8,903.11		23.03†		11,106.93
School of Mines.....	1,990.88	498.97	480.00	441.11		26,391.64				33,337.91
State Normal Schools	2,237.99	364.68		362.50		16,297.88				19,251.66
Deaf and Dumb Asylum	478.50	355.95		183.47		4,942.57				6,079.22
State Reform School	1,483.68	297.04		1,213.64		7,227.33		2.50*		9,290.32
Capitol Buildings	3,066.59	1,661.90	343.96							5,716.09
Soldiers' Home	53.45					154.62				208.07
Mont. Tr. & Legacy Fund						9,653.40				9,653.40
Veterans' Memorial						1,874.98		265.24‡		2,080.22
O. H. & T. B. Society	5.00			62.23						67.23
TOTALS.....	\$207,210.47	\$10,323.95	\$33,620.24	\$72,792.20	\$107,038.64	\$547,380.94	\$25,978.56	\$30,031.75	\$15,949.19	\$1,050,325.94

† Wheat Allotment Payments.

‡ Refunds.

§ Electrical Energy Tax.

* Transfers.

z Boxing Match Receipts from Counties.

It will be noted that the income for this fiscal year exceeds that of last by nearly \$31,000.00. The receipts for electrical energy taxes contributed substantially to this increase, Chapter 83 of the 1937 Session Laws re-allocated to the Public School the 1935 Legislature.

Lowered interest rates on bonds are reflected in the decreased income from this source. Lessened interest from land sales is accounted for by the fact that during the past year many hopelessly delinquent certificates of purchase have been cancelled and the lands leased. Rental receipts show a marked increase.

STATE LAND DEPARTMENT

SOURCES OF INCOME:

- Agricultural and grazing lease rentals
- Grazing fees collected by State Forester
- Oil and gas lease rentals
- Interest on certificates of purchase
- Interest on farm mortgages
- Interest on bonds and warrants
- Interest on bank deposits
- Allotment payments
- Boxing match receipts from counties
- 25% of Electrical Energy tax (Chapter 83, Laws of 1937)

RECEIPTS FOR PERMANENT FUNDS:

- Land sales - first payments and installments on certificates of purchase
- Rights of Way
- 5% U. S. land sales in Montana
- 5% of annual income for Public School Interest and Income Fund
- Sales of timber
- Oil and gas, coal, and sand and gravel royalties
- Repayments on mortgages
- Repayments on bonds

as of January 1, 1939

<u>Series</u>	<u>Fund Held By</u>	<u>Balance Outstanding</u>	Date Issued	Date Due	<u>Interest Rate</u>	<u>Delinquent Since</u>	<u>Interest</u>
2nd Issue		\$ 35,000.00	5-1-09	5-1-39	5%	5-1-38	
	Public School						
	University	53,000.00				11-1-36	
	Morrill	166,000.00				11-1-36	
	Sch. Mines	90,000.00				5-1-37	
	Normal	39,000.00				11-1-36	
	Deaf & Dumb	35,000.00				5-1-37	
		<u>\$413,000.00</u>					
3rd Issue		\$ \$ 7,000.00	10-1-11	10-1-41	5%	4-1-37	
	University						
	Morrill	88,000.00				4-1-37	
	Sch. Mines	5,000.00				4-1-37	
		<u>\$100,000.00</u>					
Capitol Annex	Public School	\$ \$ 50,000.00	5-1-19	5-1-49	5%	5-1-37	
5th Issue	Public School	\$ 6,252.50	4-1-25	4-1-40	4%	4-1-37	
ANNUAL INTEREST DUE ON ALL ISSUES (INCLUDING INSTALLMENT ON PRINCIPAL OF AMORTIZED BONDS OF 5TH ISSUE)							
AVERAGE ANNUAL INCOME FOR CAPITOL BUILDING FUND FOR LAST SIX FISCAL YEARS							\$30,632.50
							21,668.19
Acreage granted to State of Montana for Capitol Buildings 182,000.00 Acres							
Patented or not yet selected							"
Acres unsold, June 30, 1938			130,938.53			45,270.46	"
Acres under certificate of purchase			5,791.01				"
Acreage to which State holds title, June 30, 1938						136,729.54	"

TABLE No. III.
 RECEIPTS FOR PERMANENT FUNDS FROM ALL SOURCES DURING FISCAL YEAR
 JULY 1, 1936, TO JUNE 30, 1937

Institutions and Permanent Funds to Which the Receipts Belong	Land Sales First Payments	Installments on Land Sales (C. P.'s)	Timber Sales by State Forester	Oil & Gas Royalties	Coal, Sand and Gravel Royalties Etc.	Total of These Initial Payments	Repayments on Mortgages	Repayments on Bonds	GRAND TOTALS
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Public Schools.....	72,834.83	70,361.96	121.48	62,313.58	5,385.59	285,543.88	27,400.67*	2,188,478.73	2,501,423.28
State University.....	3,967.55	383.40	25,842.51		10.00	634.80		135,115.56	135,750.36
Agri. Col.—Morrill Grant	241.40	1,011.34				1,011.34		48,410.67	49,422.01
Agri. Col.—Second Grant		277.99	668.97			946.96		44,508.05	45,455.01
School of Mines.....	1,310.00	1,626.09	674.56		170.00	3,780.65		92,307.22	96,087.87
State Normal Schools.....		442.92	1,472.17			1,915.09		122,311.24	124,226.33
Deaf and Dumb Asylum.....	47.16							61,926.57	65,705.98
State Reform School.....	100.00	578.04	3,144.21			3,869.41		35,653.43	37,334.70
		315.29	1,362.98			1,681.27			
Capitol Buildings.....	197.84							8,999.22	9,197.06
Soldiers' Home.....	788.71	3,705.62	2,184.22	2,122.83		8,999.22		322.45	39,803.58
Montana Tr. & Legacy Fund						1,250.00		38,253.58	39,503.58
Veterans' Memorial.....	1,250.00							16,905.12	18,155.12
O. H. & T. B. Society.....		25.55				25.55			25.55
TOTALS.....	\$124,853.60	\$79,328.20	\$35,474.10	\$64,436.48	\$ 5,565.59	\$309,658.17	\$ 27,400.67	\$2,784,492.62	\$3,121,551.46

† Rights-of-Way.

‡ 5% Total Income for 1936.

\$ Collected by this Department.

z University Scholarships and Prizes.

* Includes \$2,620.31 oil and gas royalties.

Exceptionally large repayments on bonds were made during the period covered by this table.

TABLE No. IV.
 RECEIPTS FOR PERMANENT FUNDS FROM ALL SOURCES DURING FISCAL YEAR
 JULY 1, 1937, TO JUNE 30, 1938

Institutions and Permanent Funds to which the Receipts Belong	Land Sales First Payments	Installments on Land Sales (C. P.'s)	Timber Sales by State Forester	Oil & Gas Royalties	Coal, Sand and Gravel Royalties Etc.	Total of These Initial Payments	Repayments on Mortgages	Repayments on Bonds	GRAND TOTALS
Public Schools.....	†) \$ 2,728.16) \$		z) 83.60)						
State University.....	†) 447.71)	50,851.58	34,184.47)			203,348.67		1,123,830.87	1,354,827.98
AGRI. COL.—Morrill Grant.....	§) 42,368.60)	737.65	533.48		5,001.53	1,301.33		35,987.40	37,288.73
AGRI. COL.—Second Grant.....	†) 30.00)	1,038.95				1,038.95		14,507.27	15,606.29
School of Mines.....	†) 25.00	302.56	1,066.51			1,394.07		7,698.34	9,092.41
State Normal Schools.....	†) 311.40	2,646.59	105.22			3,063.21		43,526.57	46,589.78
Deaf and Dumb Asylum.....	†) 27.20	292.48	757.38			1,077.66		74,764.33	75,841.99
State Reform School.....	†) 50.00	603.69	3,590.90			4,194.59		13,537.69	17,732.28
Capitol Buildings.....	†) 26.00	361.06	1,328.97			1,740.03		15,189.38	16,929.41
Soldiers' Home.....		2,237.42	13,044.81	424.05		15,732.28		209.78	15,732.28
Montana Tr. & Legacy Fund.....							†) 23,972.84	20,453.87	44,426.71
Veterans' Memorial.....								7,017.21	7,017.21
O. H. & T. B. Society.....	†) 39.00	1,244.72				1,283.72			1,283.72
TOTALS.....	\$66,245.07	\$60,316.70	\$54,696.14	\$47,915.07	\$ 5,001.53	\$234,174.51	\$ 51,621.28	\$1,356,782.71	\$1,642,578.50

†) Rights-of-Way.

‡) 5% U. S. Land Sales in Montana.

§) 5% Total Income for 1937.

||) Land Sales First Payments.

z) Collected by this Department.

†) Transfer of Funds for Investment.

* Includes \$1,518.78 oil and gas royalties.

Very few land sales were held during the period covered by this table.

TABLE No. V.
RECEIPTS FROM STATE LANDS AND PERMANENT
FUNDS BY YEARS

		Income and Receipts for Permanent Funds	
Prior to	1896	\$	172,190.71
During	1896		38,185.23
	1897		101,755.98
	1898		126,833.71
	1899		260,195.20
	1900		200,275.25
	1901		293,335.75
	1902		363,584.63
	1903		388,279.13
	1904		389,812.60
	1905		357,790.52
	1906		651,352.62
	1907		829,480.06
	1908		805,105.35
	1909		434,429.96
	1910		826,836.01
	1911		695,771.74
	1912		1,306,892.75
	1913		1,223,857.96
	1914		1,122,205.27
	1915		1,219,602.97
	1916		1,657,639.21
	1917		1,812,812.29
	1918		1,828,712.43
	1919		2,263,728.95
	1920		1,770,070.57
	1921 (December 1, 1920, to June 30, 1921)		699,653.74
	1922		1,290,891.25
	1923		1,408,325.48
	1924 (Up to June 30)		1,183,456.66
TOTAL			\$25,663,054.98

	Income	Receipts for Permanent Funds	Totals
July 1, 1924 - June 30, 1925	\$1,101,763.73	\$360,994.55	\$1,462,758.28
July 1, 1925 - June 30, 1926	1,276,841.10	645,211.40	1,922,052.50
July 1, 1926 - June 30, 1927	1,403,869.20	697,056.60	2,100,926.80
July 1, 1927 - June 30, 1928	1,583,485.78	703,791.39	2,287,277.17
July 1, 1928 - June 30, 1929	1,588,916.71	745,245.45	2,334,162.16
July 1, 1929 - June 30, 1930	1,536,964.63	563,716.54	2,100,681.17
July 1, 1930 - June 30, 1931	1,314,364.67	344,701.33	1,659,066.00
July 1, 1931 - June 30, 1932	1,020,005.16	255,130.44	1,275,135.60
July 1, 1932 - June 30, 1933	922,896.98	173,472.02	1,166,369.00
July 1, 1933 - June 30, 1934	1,085,334.20	238,733.90	1,324,068.10
July 1, 1934 - June 30, 1935	1,267,699.79	315,898.07	1,583,597.86
July 1, 1935 - June 30, 1936	1,236,095.95	435,922.52	1,672,018.47
July 1, 1936 - June 30, 1937	1,019,368.40	337,058.84	1,356,427.24
July 1, 1937 - June 30, 1938	1,050,325.94	285,795.79	1,336,121.73
GRAND TOTAL			\$49,243,711.06

Up to June 30, 1924, the figures in the foregoing table represent both the actual income and the receipts for the permanent funds. Beginning with July 1, 1924, as indicated in the table, the two are shown separately. The receipts for the permanent funds, with the exception of repayments on mortgages, include only "new money"; they do not include repayments on bonds, warrants and other investments. For an itemized statement of all receipts for the income and permanent funds see Tables I, II, III, and IV.

The table includes all receipts for the Capitol Building Fund and in later years receipts for the Montana Trust and Legacy Fund and other minor items not arising directly or indirectly from the Federal land grants.

TABLE No. VI.
TOTAL INVESTMENTS MADE DURING FISCAL YEAR JULY 1, 1936, TO JUNE 30, 1937

FUNDS INVESTED	U. S. Bonds	County, City and Town Bonds	School District Bonds	TOTALS
Public School Permanent Fund.....		\$242,700.00	\$1,658,792.06	\$1,901,492.06
State University Permanent Fund.....		51,000.00	72,500.00	123,500.00
Agricultural College—Morrill Grant Permanent Fund.....			22,000.00	22,000.00
Agricultural College—Second Grant Permanent Fund.....		3,000.00	10,000.00	13,000.00
School of Mines Permanent Fund.....		23,233.44	30,000.00	53,233.44
State Normal Schools Permanent Fund.....		45,817.89	21,200.00	67,017.89
Deaf and Dumb Asylum Permanent Fund.....		19,367.56	42,500.00	61,867.56
State Reform School Permanent Fund.....		15,000.00	2,000.00	17,000.00
Montana Trust and Legacy Fund.....		5,000.00	31,450.00	42,450.00
Veterans' Memorial Fund.....		7,500.00	15,000.00	22,500.00
Dixon Endowment Fund.....		15,000.00		15,000.00
Ryman Fellowship Fund.....		3,000.00		3,000.00
Ryman Library Fund.....		2,000.00		2,000.00
TOTALS.....		\$433,118.89	\$1,911,442.06	\$2,344,560.95

TABLE No. VII.
TOTAL INVESTMENTS MADE DURING FISCAL YEAR JULY 1, 1937, TO JUNE 30, 1938

FUNDS INVESTED	U. S. Bonds	County, City and Town Bonds	School District Bonds	TOTALS
Public Schools Permanent Fund.....	\$750,000.00	\$286,773.94	\$62,989.72	\$1,599,763.66
State University Permanent Fund.....		5,000.00	51,608.02	56,608.02
Agricultural College—Morrill Grant Permanent Fund.....		4,000.00	39,527.65	43,527.65
Agricultural College—Second Grant Permanent Fund.....		20,000.00	26,905.40	46,905.40
School of Mines Permanent Fund.....		65,984.32	22,589.10	88,573.42
State Normal Schools Permanent Fund.....		100,000.00	70,798.51	170,798.51
Deaf and Dumb Asylum Permanent Fund.....		15,000.00	12,754.04	27,754.04
State Reform School Permanent Fund.....			41,772.96	41,772.96
Soldiers' Home Permanent Fund.....		2,000.00		2,000.00
Montana Trust and Legacy Fund.....		3,000.00	32,145.86	41,145.86
Veterans' Memorial Fund.....			5,886.48	5,886.48
TOTALS.....	\$750,000.00	\$507,758.26	\$66,977.74	\$2,124,736.00

TABLE No. VIII.
PERMANENT ASSETS JUNE 30, 1937

Institutions and Funds to Which the Assets Belong	Value of Unsold Lands at \$10 Per Acre	Deferred Payments on Land Sales (C. P.'s)	SECURITIES				Cash With State Treasurer	TOTALS
			Farm Mortgage Loans	U. S. Bonds	State Bonds	County, City, Town and School District Bonds		
Public Schools Fund.....	\$45,517.74	\$2,280,684.79	\$4,168,677.75	745,000.00	\$3,074,000.00		928,736.67	\$62,948,934.96
State University Fund.....	196,954.00	27,171.38		100,000.00	139,572.00	\$6,094,489.55	29,434.59	717,247.26
A.G. Col.—Morrill Grant Fund.....	631,471.40	11,646.59		75,000.00	60,000.00	310,687.29	30,278.36	1,216,897.09
A.G. Col.—Second Grant Fund.....	296,083.20	18,949.00		75,000.00	299,000.00	139,500.74	38,946.52	645,652.91
School of Mines Fund.....	627,099.70	67,574.40		100,000.00		116,674.19	48,538.45	1,316,992.86
State Normal Schools Fund.....	703,433.20	20,749.82			95,000.00	378,780.31	104,913.14	1,332,659.61
Deaf & Dumb Asylum Fund.....	369,672.00	13,647.02			39,000.00	464,563.45	12,856.00	626,073.19
State Reform School.....	371,171.50	6,351.82			35,000.00	194,596.57	26,068.31	584,845.42
Capitol Buildings.....	1,293,338.60	59,524.25			5,400.00	175,853.75	9,294.11	1,355,086.96
Soldiers' Home Fund.....	12,750.10						2,183.38	17,373.59
Orph. Home & T. B. S. Fund.....	650.00	1,244.72					2,444.68	1,839.72
Veterans' Memorial Fund.....							40,436	40,436
Mont. Tr. & Legacy Fund.....							7,794.22	194,527.86
TOTALS.....	\$50,150,404.50	\$2,507,843.79	\$4,168,677.75	\$1,095,000.00	\$3,746,972.00	\$8,102,631.41	\$1,226,723.03	\$70,998,253.38

TABLE No. IX.
PERMANENT ASSETS JUNE 30, 1938

Institutions and Funds to Which the Assets Belong	Value of Unsold Lands at \$10 Per Acre	Deferred Payments on Land Sales (C. P.'s)	SECURITIES				Cash With State Treasurer	TOTALS
			Farm Mortgage Loans	U. S. Bonds	State Bonds	County, City, Town and School District Bonds		
Public Schools Fund.....	\$45,647,951.90	\$1,984,044.43	\$4,153,068.92	\$1,000,000.00	\$3,212,619.25	\$6,316,390.50	\$702,658.65	\$63,016,733.65
State University Fund.....	198,554.00	23,200.12	.....	100,000.00	60,000.00	331,307.91	3,115.30	716,177.33
Ag. Col.—Morrill Grant Fund.....	661,471.30	10,607.64	.....	75,000.00	299,000.00	168,461.12	2,556.93	1,216,897.09
Ag. Col.—Second Grant Fund.....	408,003.10	11,851.33	.....	75,000.00	.....	155,881.25	1,133.53	651,869.31
School of Mines Fund.....	641,960.00	53,902.25	.....	100,000.00	.....	423,827.16	6,554.81	1,321,244.22
State Normal Schools Fund.....	705,833.20	18,899.82	.....	.....	95,000.00	560,597.63	6,756.62	1,331,081.27
Deaf & Dumb Asylum Fund.....	372,872.60	11,239.23	.....	39,000.00	35,000.00	208,812.92	2,834.24	630,758.99
State Reform School Fund.....	371,171.50	6,095.72	.....	5,400.00	.....	292,437.37	1,224.76	586,329.35
Capital Buildings Fund.....	1,309,385.30	40,810.26	.....	.....	.....	.....	1,906.23	1,352,101.79
Soldiers' Home Fund.....	12,756.10	.....	.....	.....	.....	4,226.33	393.16	17,375.59
Orph. Home & T. B. S. Fund.....	650.00	.....	.....	.....	.....	.....	44.00	694.00
Veterans' Memorial Fund.....	.....	.....	.....	.....	.....	37,185.04	4,056.13	41,841.17
Mont. Tr. & Legacy Fund.....	.....	.....	.....	.....	.....	207,425.63	2,219.75	209,645.38
Totals.....	\$50,330,609.10	\$2,160,650.90	\$4,153,068.92	\$1,350,000.00	\$3,746,019.25	\$8,616,552.86	\$735,854.11	\$71,092,753.14

TABLE No. X.
TOTAL GROSS INCOME OF THE DEPARTMENT, 1930-1938
CLASSIFIED AS TO SOURCE

SOURCE	Year Ending June 30, 1930	Year Ending June 30, 1931	Year Ending June 30, 1932	Year Ending June 30, 1933	Year Ending June 30, 1934	Year Ending June 30, 1935	Year Ending June 30, 1936	Year Ending June 30, 1937	Year Ending June 30, 1938
Fees and Penalties	\$ 21,549.26	\$ 22,073.45	\$ 15,175.12	\$ 10,760.17	\$ 16,591.86	\$ 23,142.21	\$ 16,049.05	\$ 17,092.88	\$ 15,949.19
Rentals on Agr. and Grazing Leases	397,652.14	312,035.58	211,083.94	176,002.68	227,614.43	233,544.38	290,252.42	184,851.30	207,210.47
Oil and Gas Lease Rentals	93,279.04	59,049.36	34,093.94	23,671.21	31,924.77	27,929.97	35,844.59	26,283.46	34,100.24
Int. on Land Sales	220,434.94	170,812.12	80,879.70	62,950.90	92,234.95	117,919.99	118,153.96	82,732.77	72,732.20
Int. and Other In- come from Farm Mortgages	172,155.48	110,247.29	58,508.50	57,620.48	**100,600.06	**130,295.98	**146,491.62	**95,686.25	**106,558.64
Interest on Bonds	559,243.76	513,383.41	486,291.62	464,699.11	538,609.13	571,075.25	593,711.52	572,743.53	547,380.94
Int. on State Gen. Fund Warrants	44,232.93	82,331.90	107,655.30	178,801.66	2,515.07	16,873.86			
Int. on Bank De- posits	21,212.84	36,097.88	20,519.86	7,790.08	13,143.88	7,071.55	4,146.30	1,833.84	56,010.31
Misc. Receipts*				374.79	47,107.67	127,442.62	23,859.51	29,206.52	
Grazing Fees Col- lected by State Forester	7,164.24	8,333.68	6,487.18	8,516.91	6,724.94	8,563.12	7,586.98	8,937.85	10,323.95
Int. on Univ. Mil- lidge Warrants				1,708.99	8,207.44	3,840.86			
TOTALS	\$1,536,965.63	\$1,314,304.67	\$1,020,005.16	\$92,896.98	\$1,085,334.20	\$1,267,699.79	\$1,236,095.95	\$1,019,368.40	\$1,050,325.94

* MISCELLANEOUS RECEIPTS IN DETAIL

SOURCE	Year Ending June 30, 1933	Year Ending June 30, 1934	Year Ending June 30, 1935	Year Ending June 30, 1936	Year Ending June 30, 1937	Year Ending June 30, 1938
Boxing Match Receipts from Counties	\$ 374.79	\$ 680.10	\$ 1,430.81	\$ 1,476.34	\$ 522.09	\$ 205.24
Income Tax		26,885.26	19,379.26			
Inheritance Tax		3,748.32	80,405.87			
Wheat Allotment Receipts (Not Including Farm Mortgages)		16,653.99	24,449.65	22,383.17		
Electrical Energy Tax			1,578.74		21,698.18	25,978.56
Telephone Tax			53.04		6,986.25	29,788.54
Agricultural Experiment Station Refunds and Transfers			145.25			
TOTALS	\$ 374.79	\$ 47,107.67	\$127,442.62	\$ 23,859.51	\$ 29,206.52	\$ 56,010.31
**In addition to the wheat allotment receipts included in "Miscellaneous Receipts," the following wheat allot- ment receipts are included in "Interest and Other Income from Farm Mortgages"		\$ 6,798.10	\$ 10,326.59	\$ 10,176.75	\$ 8,585.76	\$ 8,394.30

TABLE No. XI.
TOTAL RECEIPTS FOR THE PERMANENT FUNDS, 1930-1938
(Not Including Repayments)
CLASSIFIED AS TO SOURCE

SOURCE	Year Ending June 30, 1930	Year Ending June 30, 1931	Year Ending June 30, 1932	Year Ending June 30, 1933	Year Ending June 30, 1934	Year Ending June 30, 1935	Year Ending June 30, 1936	Year Ending June 30, 1937	Year Ending June 30, 1938
Land Sales, First Payment.....	\$ 45,533.24	\$ 1,986.00	\$ 1,929.40	\$.....	\$ 2,688.83	\$ 1,665.00	\$ 66,844.05	\$ 74,389.83	\$ 20,192.00
Rights-of-Way	6,663.92	8,897.84	9,120.50	3,757.37	4,897.15	4,600.00	5,017.21	5,097.66	3,236.76
5% of Total Annual Income for Public Schools	71,348.68	57,192.39	43,934.69	37,206.68	41,632.83	52,285.69	52,909.23	44,116.11	42,368.60
5% of U. S. Land Sales in Mont. Installments on Land Sales.....	842.39	1,310.29	1,059.26	949.40	78,070.10	22.95	425.06	79,328.20	60,316.70
Timber Sales by State Forester.....	238,622.59	138,077.60	75,952.45	59,421.81	37,138.95	29,734.06	33,437.39	35,474.10	54,696.14
Oil and Gas Royalties.....	65,145.68	32,294.83	49,654.64	28,681.12	44,289.94	50,286.88	85,272.65	64,436.68	49,433.85
Coal, Sand and Gravel Royalties.....	150,471.53	61,477.33	61,331.76	33,701.30	2,505.99	2,432.19	27,172.50	5,565.59	5,001.53
	1,810.23	1,652.41	2,555.00	1,880.51					
TOTALS	\$580,438.26	\$302,888.69	\$245,537.70	\$165,628.19	\$211,827.63	\$278,148.25	\$374,262.71	\$308,408.17	\$235,693.29

It should be noted that this table does not include repayments on mortgages or repayments of warrants or bonds. It applies only to new receipts, or actual additions to the permanent funds. A complete statement of receipts for the permanent funds during the last two fiscal years may be found in Table No. III and Table No. IV.

TABLE No. XII.
COMPARISON OF PERMANENT ASSETS—1930-1938

Kind of Assets	Year Ending June 30, 1930	Year Ending June 30, 1931	Year Ending June 30, 1932	Year Ending June 30, 1933	Year Ending June 30, 1934	Year Ending June 30, 1935	Year Ending June 30, 1936	Year Ending June 30, 1937	Year Ending June 30, 1938
Value of Unsold Lands at \$10.00 per Acre.....	\$45,749,730.20	\$46,148,948.35	\$46,835,047.60	\$46,964,407.80	\$48,594,104.90	\$49,751,564.50	\$49,621,636.10	\$50,150,404.50	\$50,404,317.30
Deferred Pay- ments on Land Sales (C. P.'s)	7,242,104.89	6,530,273.79	5,621,911.96	5,409,650.33	3,393,197.69	3,065,639.96	3,074,115.25	2,507,813.79	2,204,547.21
Farm Mortgage Loans.....	4,301,561.94	4,270,942.18	4,273,807.84	4,281,631.32	4,270,562.27	4,233,866.27	4,191,352.33	4,168,677.75	4,153,068.92
United States Bonds.....	2,031,000.00	1,088,500.00	1,088,500.00	1,088,500.00	1,088,500.00	1,088,500.00	1,591,000.00	1,095,000.00	1,350,000.00
State Bonds.....	925,047.50	925,047.50	917,951.25	3,990,308.75	3,988,599.75	3,987,719.50	3,984,972.00	3,746,972.00	3,746,019.25
County, City and School Dist. Bonds.....	6,478,811.88	7,626,216.25	7,809,073.91	7,372,826.06	7,519,479.57	7,024,379.91	7,828,664.59	8,102,631.41	8,616,552.86
State Gen'l Fund Warrants.....	1,624,699.26	2,172,115.85	2,592,306.73	84,251.28*					
Cash with State Treasurer.....	1,014,229.88	606,015.09	233,972.17	280,150.25	449,029.62	1,270,316.12	415,602.30	1,226,723.93	735,854.11
TOTALS.....	\$69,367,185.55	\$69,368,059.01	\$69,400,923.68	\$69,471,723.79	\$69,303,473.80	\$70,421,986.26	\$70,707,342.57	\$70,998,253.38	\$71,210,359.65

*State Millage Fund Warrants Issued by Units of State University.

All unsold state lands have been, and for purposes of comparison, still are carried at a book value of \$10.00 per acre.
By Act of Congress, the minimum sales price of state land is now \$5.00 per acre.

ITEMS OF INTEREST

Grass Conservation

The conservation of grass, one of Montana's greatest natural resources, is engaging the attention of all State agencies interested in the promoting of proper land usage, and the State Land Department is co-operating to the fullest extent possible, under the laws and rules governing the administration of State owned lands, in this conservation program.

New Records Completed

A WPA Project in connection with the Montana State Land Department, and sponsored by the Commissioner, has accomplished the compilation of certain information which will become a part of the permanent records of the State Land Office, as follows: A complete list of all State owned lands and all State controlled lands by counties, and a complete list of all State owned lands by funds or grants. These records are available and valuable for use of assessors, treasurers, county commissioners, county superintendents and all agencies, Federal and State, working along the lines of land conservation and stabilization of land usage. With each listed tract of land is carried its history pertaining to any transaction affecting its title, such as sale, contract, patent or cancellation of contract, together with the date of such transaction and sale price per acre. The listing of State lands by funds or grants enables any beneficiary to readily ascertain the description, amount and location of State lands from which they derive income.

Summerfallow

The State Land Department has inaugurated a fifty-fifty program in connection with the use of its agricultural land: 50% of the acreage under cultivation summerfallowed each year, and 50% in crop. All agricultural leases are being made in accord with this plan which conforms to the program being carried forward by all agencies engaged in land conservation, and promotes more stable and better farming methods and diminishes hazards incident to dry land farming.

Ten-Year Leases on State Lands

By Congressional enactment it has been provided that State owned lands may be leased for a period of ten years. The former maximum period for lease on State lands was five years. The reaction to this Congressional action has been consistently favorable, and there is no doubt that the matter of the confirmation of the same will come before the next legislative assembly in furtherance of the program for stabilization and conservation for land usage.

Subleasing of State Lands

By legislative enactment, 1937, a sublease on State owned land must be approved by the State Land Department and a copy of the sublease placed on file in the Land Office, and no sublease on State lands may be made on a rental in advance over that paid by the original lessee to the State.

State Lands Lying Within Indian Reservations

The State Board of Land Commissioners has authorized the cooperation of the State Land Department with Federal agencies, looking to the orderly leasing of State lands lying within Indian Reservations.

TABLE NO. XIII.
INVESTMENTS MADE FROM JULY 1, 1936, TO JUNE 30, 1937

By Whom Issued	County	Kind of Bond	Amount	Int. Rate	Date of Payment Order	Fund Invested	Date of Issue	Final Due Date
Stillwater County School District No. 5	Richland	Serial Refunding High School Building	\$ 20,000.00	3 %	7-1-36	State Normal School	7-1-36	7-1-46
City of Benson	Wilcox	Amortization Refunding	43,271.58	4 %	7-1-36	Public School	7-1-36	7-1-56
City of Wilcox	Wilcox	Amortization Refunding	30,700.00	4 %	7-1-36	Public School	7-1-36	7-1-56
School District No. 43	Park	Amortization Building	10,817.89	4 %	7-9-36	State Normal School	12-1-36	12-1-45
School District No. 7	Sheridan	"	7,500.00	5 %	7-9-36	Deaf & Dumb Asylum	6-15-36	6-15-56
School District No. 1	Silver Bow	Serial Building	15,000.00	4 %	7-16-36	State Normal School	6-1-36	6-1-56
School District No. 2	Big Horn	Amortization Building	66,000.00	3 3/8 %	7-25-36	Public School	1-1-36	1-1-39
Town of Belt	Cascade	Serial Water Works	8,500.00	5 %	7-27-36	Public School	7-1-36	7-1-56
School District No. 3	Ravalli	Amortization Refunding	800.00	4 %	7-30-36	Public School	9-1-34	7-1-56
Fergus County		Serial	90,000.00	3 3/4 %	7-30-36	Public School	7-1-36	7-1-46
"		"	15,000.00	4 %	7-31-36	Dixon Endowment	7-1-36	7-1-36
"		"	3,000.00	4 %	7-31-36	Ryman Fellowship	1-1-36	1-1-36
"		"	2,000.00	4 %	7-31-36	Ryman Library	1-1-36	1-1-36
School District No. 9	Ravalli	Serial Refunding	36,000.00	4 %	7-31-36	Public School	6-1-36	6-1-46
Town of Dutton	Teton	Amortization Water Works	43,200.00	4 %	8-1-36	Public School	6-1-36	6-1-56
City of Fort Benton	Chouteau	Serial Water Works	8,000.00	4 %	8-1-36	Public School	6-1-36	6-1-56
Collagen H. S. District	Chouteau	Amortization Building	8,000.00	4 %	8-1-36	"	6-1-36	6-1-56
School District No. 30	Flathead	"	2,000.00	4 %	8-23-36	"	6-1-36	6-1-56
School District No. 30 Dist.	Flathead	"	37,000.00	4 %	8-23-36	State Reform School	9-1-36	9-1-56
School District No. 1	Silver Bow	Serial Building	26,000.00	3 3/8 %	9-21-36	Public School	1-1-36	1-1-36
"	"	"	26,000.00	3 3/8 %	11-11-36	State University	1-1-36	1-1-36
"	"	"	10,000.00	3 3/8 %	11-11-36	Agricultural Col. 2nd	1-1-36	1-1-36
"	"	"	30,000.00	3 3/8 %	11-11-36	School of Mines	1-1-36	1-1-36
"	"	"	17,000.00	4 %	11-16-36	Mont. Tr. & Legacy	11-1-36	11-1-56
School District No. 12	Fallon	Amortization Building	15,000.00	4 %	11-23-36	Veterans' Memorial	10-15-36	10-15-56
School District No. 32	Blaine	"	66,000.00	3 3/8 %	12-9-36	Public School	7-1-36	7-1-56
School District No. 1	Silver Bow	Serial Building	5,000.00	3 3/4 %	12-30-36	Mont. Tr. & Legacy	7-1-36	7-1-56
Meagher County	Lewis & Clark	Serial Highway Improvement	5,000.00	3 %	1-2-37	State University	1-1-37	1-1-57
"	"	"	10,000.00	3 %	1-2-37	Agr. College Morrill	1-1-37	1-1-57
"	"	"	3,000.00	3 %	1-2-37	Agricultural Col. 2nd	1-1-37	1-1-57
"	"	"	4,500.00	3 %	1-2-37	School of Mines	1-1-37	1-1-57
"	"	"	17,500.00	3 %	1-2-37	State Normal School	1-1-37	1-1-57
"	"	"	7,500.00	3 %	1-2-37	Deaf & Dumb Asylum	1-1-37	1-1-57
"	"	"	7,500.00	3 %	1-2-37	State Reform School	1-1-37	1-1-57
"	"	"	7,500.00	3 %	1-2-37	Veterans' Memorial	1-1-37	1-1-57
"	"	"	5,000.00	3 %	1-2-37	Mont. Tr. & Legacy	1-1-37	1-1-57
"	"	"	5,000.00	3 %	1-2-37	Public School	7-1-37	7-1-57
City of Scooby	Daniels	Amortization Refunding	30,000.00	3 3/4 %	1-6-37	"	7-1-37	7-1-57
Town of Stevensville	Ravalli	Amortization Water Works	15,000.00	3 3/4 %	1-12-37	"	12-1-36	12-1-56

TABLE No. XIII—(Continued)
INVESTMENTS MADE FROM JULY 1, 1936, TO JUNE 30, 1937

By Whom Issued	County	Kind of Bond	Amount	Int. Rate	Date of Payment Order	Fund Invested	Date of Issue	Final Due Date
School District No. 1	Silver Bow	Serial Building	\$ 66,000.00	3 3/4 %	1-13-37	Public School	1- 1-36	1- 1-56
" " "	" "	Amortization Building	12,363.26	4 "	1-15-37	" "	12-30-35	12-30-55
" " "	" "	Amortization Refunding	13,294.60	3 3/4 "	1-18-37	" "	12-31-36	12-31-46
" " "	" "	Serial Building	26,318.20	3 3/4 "	1-18-37	" "	12-31-36	12-31-46
" " "	" "	Amortization Building	5,500.00	2 1/4 "	1-19-37	" "	12- 1-36	12- 1-56
School District No. 17	Lewis & Clark	" "	23,000.00	3 "	1-21-37	" "	12- 1-36	12- 1-56
School District No. 20	Hill	" "	5,000.00	3 "	1-22-37	Deaf & Dumb Asylum	1- 2-37	1- 2-57
Meagher County	Sheridan	Serial Highway Improvement	12,000.00	4 1/2 "	1-22-37	Public School	1- 2-37	1- 2-57
School District No. 29	Fergus	Amortization Building	28,000.00	3 3/4 "	1-23-37	Public School	10-14-36	10-14-56
School District No. 1	Valley	Amortization Refunding	4,000.00	1 "	1-23-37	Deaf & Dumb Asylum	1- 1-37	1- 1-57
School District No. 1	Silver Bow	Serial Building	66,000.00	3 3/4 "	2- 9-37	Agri. College Morrill	11- 1-36	11- 1-56
Town of Nashua	Valley	Amortization Water Works	4,000.00	4 "	2-11-37	Public School	11- 1-36	11- 1-56
School District No. 1	Lewis & Clark	Serial Building	30,000.00	3 1/4 "	2-19-37	Agri. College Morrill	11- 1-36	11- 1-56
School District No. 25	Jefferson	Amortization Building	14,850.00	3 3/4 "	2-20-37	Public School	7- 1-36	7- 1-56
School District No. 28	Teton County	Amortization Refunding	10,000.00	4 "	3- 1-37	Mont. Tr. & Legacy	2- 1-37	2- 1-57
School District No. 18	Pondera County	" "	19,000.00	4 1/4 "	3- 8-37	Public School	1-15-37	1-15-57
School District No. 1	Valley	Amortization Refunding	24,163.55	3 3/4 "	4- 1-37	" "	4- 1-37	4- 1-57
Town of Nashua	" "	Amortization Water Works	4,000.00	4 "	4- 2-37	" "	3-30-37	3-30-47
School District No. 28	Teton County	Amortization Building	7,867.56	4 "	4- 2-37	Agri. College Morrill	11- 1-36	11- 1-56
City of Glasgow	Valley	City Park Amortization	10,000.00	4 "	4- 6-37	Deaf & Dumb Asylum	11- 1-36	11- 1-56
School District No. 25	Judith Basin	Amortization Building	20,000.00	3 1/2 "	4-17-37	Public School	1-15-37	1-15-57
School District No. 8	Custer	" "	9,000.00	4 "	4-17-37	" "	1- 1-37	1- 1-57
School District No. 5	Golden Valley	" "	21,000.00	4 "	4-21-37	" "	3- 1-37	3- 1-57
Town of Nashua	Valley	Amortization Water Works	10,000.00	4 "	4-21-37	State University	12-15-36	12-15-56
Town of Stevensville	Ravalli	" "	7,867.56	4 "	5- 3-37	Deaf & Dumb Asylum	12-31-36	12-31-46
School District No. 21	Chouteau	Amortization Building	10,000.00	3 3/4 "	5- 8-37	Public School	11- 1-36	11- 1-56
School District No. 21	Fergus	Amortization Refunding	37,471.87	4 "	5-11-37	" "	12-20-35	12-20-55
City of East Helena	Lewis & Clark	Serial Sewer	3,000.00	4 1/2 "	5-11-37	State Normal School	1- 1-37	1- 1-57
School District No. 1	Cascade	Amortization Refunding	\$75,000.00	2 7/8 "	6- 1-37	Public School	1- 1-37	1- 1-57
Wheeland County	" "	" "	46,000.00	2 7/8 "	6- 1-37	State University	6- 9-37	6- 9-47
School District No. 27	Fergus	Water Works Amortization	3,200.00	2 3/4 "	6-25-37	State Normal School	1- 1-37	1- 1-57
Town of Hysham	Treasure	" "	16,733.44	4 1/2 %	6-25-37	School of Mines	1- 1-37	1- 1-57

TOTAL AMOUNT INVESTED

\$2,344,560.95

TABLE No. XIV.
INVESTMENTS MADE FROM JULY 1, 1937, TO JUNE 30, 1938

By Whom Issued	County	Kind of Bond	Amount	Int. Rate	Date of Payment Order	Fund Invested	Date of Issue	Final Due Date
City of Polson	Lake	Amortization Water Rfdg.	\$ 15,000.00	4 $\frac{1}{2}$ %	7-1-37	Agri. College Second	7-1-37	7-1-52
Town of Hysham	Treasure	Water Works Amortization	4,914.32	3 $\frac{1}{2}$ %	7-1-37	School of Mines	7-1-37	7-1-52
Town of Stevensville	Raymond	Amortization Building	4,914.32	3 $\frac{1}{2}$ %	7-1-37	Public School	7-1-37	7-1-52
School District No. 5	Blaine	Amortization Refunding	6,000.00	4 %	7-1-37	Mont. Tr. & Legacy	6-15-37	7-1-52
School District No. 52	Stillwater	Cons. Federal Farm Loan	13,500.00	4 %	7-8-37	State Normal School	7-1-37	7-1-52
U. S. A.			500,000.00	3 $\frac{1}{2}$ %	7-8-37	"	7-1-37	7-1-52
School District No. 1	Silver Bow	Amortization Building	80,000.00	3 $\frac{1}{2}$ %	7-23-37	State Normal School	7-1-37	7-1-52
Town of Harlem	Blaine	Amortization Water Rfdg.	40,000.00	4 $\frac{1}{2}$ %	8-2-37	Public School	7-1-36	7-1-56
School District No. 1	Silver Bow	Serial Building	44,000.00	3 $\frac{1}{2}$ %	8-2-37	School of Mines	7-1-37	7-1-57
City of East Helena	Lewis & Clark	Serial Sewer	38,000.00	4 %	8-2-37	State Normal School	7-1-37	7-1-57
Garfield County		Amortization Refunding	25,000.00	4 %	8-9-37	Public School	7-1-37	7-1-57
City of Phillipsburg	Granite	Amortization Water Works	68,000.00	2.93 %	8-14-37	"	7-1-37	7-1-57
School District No. 1	Lewis & Clark	Amortization Building	115,000.00	4 %	9-1-37	State University	9-1-37	9-1-52
School District No. 12	Daniels	"	18,000.00	4 %	9-1-37	State Normal School	9-1-37	9-1-52
School District No. 82	Rosebud	"	10,000.00	4 %	9-1-37	State Normal School	9-1-37	9-1-52
School District No. 67	Cascade	"	12,000.00	4 %	11-5-37	State University	9-15-37	6-15-52
School District No. 6	Hill	Amortization Refunding	93,000.00	4 %	11-17-37	State Normal School	7-15-37	7-15-52
School District No. 19	Hill	Serial Building	60,000.00	3 $\frac{1}{2}$ %	11-17-37	Public School	11-1-37	11-1-52
Polson District	Flathead	Amortization Refunding	1,875.00	5 %	12-6-37	Agri. College Morrill	6-30-37	6-30-48
School District No. 68	Hill	Amortization Building	55,000.00	3 $\frac{1}{2}$ %	12-9-37	Public School	12-1-37	12-1-57
School District No. 16	Flathead-Lake	Amortization Refunding	15,000.00	4 $\frac{1}{2}$ %	12-15-37	State Reform School	10-15-37	10-15-57
School District No. 38	Flathead-Lake	Amortization Refunding	19,000.00	3 $\frac{1}{2}$ %	12-27-37	Agri. College Morrill	1-1-37	1-1-48
School District No. 1	Custer	"	15,000.00	4 $\frac{1}{2}$ %	1-1-38	State Reform School	1-1-38	1-1-48
School District No. 44	Chouteau	"	2,000.00	3 %	1-4-38	Soldiers' Home	7-1-37	7-1-57
Lewis & Clark County		Serial County Hospital	9,000.00	3 %	1-4-38	Mont. Tr. & Legacy	7-1-37	7-1-57
"	"	"	5,000.00	3 %	1-4-38	State University	7-1-37	7-1-57
"	"	"	15,000.00	3 %	1-4-38	Deaf & Dumb Asylum	7-1-37	7-1-57
"	"	"	25,000.00	3 %	1-4-38	State Normal School	7-1-37	7-1-57
"	"	"	15,000.00	3 %	1-4-38	School of Mines	7-1-37	7-1-57
"	"	"	3,000.00	3 %	1-4-38	Agri. College Second	7-1-37	7-1-57
"	"	"	3,000.00	3 %	1-4-38	Agri. College Morrill	7-1-37	7-1-57
"	"	"	3,000.00	3 %	1-4-38	Public School	8-1-37	8-1-47
"	"	"	3,000.00	3 %	1-4-38	"	12-1-37	12-1-57
School District No. 57	Hill	Amortization Refunding	32,800.00	4 %	1-6-38	Mont. Tr. & Legacy	12-1-37	12-1-57
School District No. 5	Madison	Amortization Building	6,500.00	3 $\frac{1}{2}$ %	1-26-38	Public School	1-1-37	1-1-57
School District No. 13	Lewis & Clark	"	2,400.00	5 %	2-2-38	"	1-5-38	1-5-48
School District No. 18	Hill	Amortization Refunding	19,645.86	3.3 %	2-16-38	Mont. Tr. & Legacy	7-1-37	7-1-57
School District No. 1	Silver Bow	Amortization Building	9,822.93	3.3 %	2-16-38	State University	7-1-37	7-1-57

TABLE No. XIV—(Continued)
INVESTMENTS MADE FROM JULY 1, 1937, TO JUNE 30, 1938

By Whom Issued	County	Kind of Bond	Amount	Int. Rate	Date of Payment Order	Fund Invested	Date of Issue	Final Date
School District No. 1	Silver Bow	Amortization Building	\$ 9,822.33	3 3/8 %	2-16-38	Agri. College Morrill	7-1-37	7-1-57
" " "	" "	" "	13,645.36	3 3/8 %	2-16-38	School of Mines	7-1-37	7-1-57
" " "	" "	" "	29,463.79	3 3/8 %	2-16-38	State Normal School	7-1-37	7-1-57
" " "	" "	" "	29,463.79	3 3/8 %	2-16-38	Public School	7-1-37	7-1-57
School District No. 17	Roosevelt	Amortization Building	250,000.00	5 %	3-1-38	" "	12-15-37	12-15-57
U. S. Treasury	Toole	Amortization Building	30,000.00	1 3/8 %	3-1-38	" "	12-30-37	12-30-57
School District No. 14	Richland	" "	35,000.00	5 %	3-1-38	" "	1-1-58	1-1-58
Savage H. S. District	Liberty	" "	15,000.00	5 %	3-1-38	" "	1-1-58	1-1-58
School District No. 23	McCone	" "	15,000.00	4 %	3-30-38	State Normal School	3-1-38	3-1-58
Town of Circle	McCone	" "	15,000.00	4 %	3-30-38	Public School	3-1-38	3-1-58
City of Belt	Cascade	Amortization Sewer	10,000.00	5 %	5-11-38	School of Mines	1-1-58	1-1-58
City of Glasgow	Valley	Amortization Water Works	3,858.99	3 1/2 %	5-19-38	State Normal School	1-1-58	1-1-58
High Sch. Dist. No. 1	Park	Amortization City Park	6,470.33	2 3/4 %	5-19-38	Public School	1-1-57	1-1-57
School District No. 1	Silver Bow	Amortization Building	9,822.33	3 3/8 %	5-19-38	" "	12-15-37	12-15-57
High Sch. Dist. No. 1	Park	" "	1,962.16	2 3/4 %	6-8-38	State University	7-1-37	7-1-57
" " "	" "	" "	8,829.72	2 3/4 %	6-15-38	" "	12-15-37	12-15-57
" " "	" "	" "	4,905.40	2 3/4 %	6-15-38	Agri. College Morrill	12-15-37	12-15-57
" " "	" "	" "	2,943.24	2 3/4 %	6-15-38	Agri. College Second	12-15-37	12-15-57
" " "	" "	" "	8,829.72	2 3/4 %	6-15-38	School of Mines	12-15-37	12-15-57
" " "	" "	" "	11,762.48	2 3/4 %	6-15-38	State Normal School	12-15-37	12-15-57
" " "	" "	" "	12,756.18	2 3/4 %	6-15-38	State Reform School	12-15-37	12-15-57
" " "	" "	" "	12,756.18	2 3/4 %	6-15-38	Vocational Memorial	12-15-37	12-15-57
" " "	" "	" "	150,000.00	2 3/4 %	6-15-38	Deaf & Dumb Asylum	12-15-37	12-15-57
City of Lewistown	Fergus	Amortization Water Works	150,000.00	2 3/4 %	6-15-38	" "	6-1-58	6-1-58
High Sch. Dist. No. 2	Sanders	Amortization Building	10,000.00	2 3/4 %	6-20-38	Public School	6-10-38	6-10-58
TOTAL AMOUNT INVESTED			\$2,084,736.00					

All bond purchases are approved by the State Board of Land Commissioners following the approval of all proceedings relating to such bonds, by the Attorney General.

TABLE No. XV.
SUMMARY OF ALL LAND SALES FOR THE TWO-YEAR PERIOD
BEGINNING JULY 1, 1936, AND ENDING JUNE 30, 1938

COUNTY	Public Schools (Acres)	School of Mines (Acres)	Deaf and Dumb Asylum (Acres)	Public Buildings (Acres)	Total Acres	Total Sales Price	Average Price per Acre
Sanders.....	149.79				149.79	\$ 1,791.75	
Missoula.....	10 lots					1,375.00	
Lake.....	360.00				360.00	7,080.01	
Chouteau.....	1,279.36				1,279.36	19,188.80	
Liberty.....	800.00				800.00	13,320.00	
Toole.....				120.00 3 lots	120.00	1,905.00	
Pondera.....	280.00				280.00	5,840.00	
Teton.....	1,919.17	880.00			2,799.17	36,314.94	
Cascade.....	912.62				912.62	11,110.33	
Lewis & Clark.....	80.00		80.00	80.00	240.00	1,640.00	
Garfield*.....	8,697.91				8,697.91	47,343.05	
Valley*.....	1,775.55				1,775.55	11,133.40	
Fergus*.....	214.96				214.96	1,995.12	
Phillips*.....	1,374.82				1,374.82	12,794.66	
McCone*.....	160.00				160.00	800.00	
Petroleum*.....	687.51				687.51	5,697.39	
TOTALS.....	18,691.69	880.00	80.00	200.00	19,851.69	\$179,239.45	\$ 9.03

*In the six counties marked there are included sales to the United States of 12,137.50 acres for the Fort Peck project at a total sales price of \$11,953.62. These sales were made under Chapter 37, Laws of the Extra Session of the Legislative Assembly of 1933-34.

Fiscal Year Ending	Public School (acres)	University (acres)	Agri. Col. Morrill Grant (acres)	Agri. Col. Second Grant (acres)	School of Mines (acres)	State Normal (acres)	Deaf & Dumb (acres)	State Reform (acres)	Capital Buildings (acres)	Total Acres	Total Sales Price	Avg. Price Per Acre
1897 and Prior Years...	10,070.76	2,870.13				80.00		960.00	641.98	14,622.87	\$12,739	\$12.739
1898	1,816.06	1,600.00				160.00	560.00		40.00	2,176.06	24,075.50	11.063
1899	2,442.03	608.42		116.30						3,726.75	41,110.00	11.031
1900	760.00	82.70								842.70	12,092.00	14.349
1901	2,076.00	520.00	233.28		262.81	363.13	280.00	339.40	622.80	4,737.42	61,029.90	12.882
1902	9,031.29	3,560.90	80.00	286.90	193.00	417.26	120.00	320.00	1,400.30	15,409.65	227,226.24	14.745
1903	10,294.29	1,334.95	416.06	781.85	1,190.98	1,027.12	376.54	17.20	945.08	16,384.07	175,084.66	16.686
1904	6,227.41	716.90	338.43	247.52	9.37	1,102.90	8.58	6.08	298.06	8,865.25	142,118.02	16.030
1905	5,878.82	828.67	103.37	120.00	409.83	524.18	1,000.00	40.00	1,301.34	10,206.21	114,836.31	11.251
1906	16,676.28	520.00	392.48	760.00	373.58	568.86	778.41	487.37	2,041.12	22,598.10	287,407.43	12.718
1907	19,331.27	1,121.72	3,820.75		7,182.18	9,358.26	2,576.15	1,937.02	9,904.27	54,711.62	777,512.20	14.211
1908	16,336.36	1,117.29	9,344.06		5,640.06	4,802.31	3,370.64	640.00	9,650.15	51,020.81	604,288.00	11.843
1909	3,800.86	36.98		.06	14.78	494.42			660.79	5,007.89	80,398.50	16.054
1910	97,856.38	9,077.15	993.81		11,364.96	5,710.04	320.00	329.53	16,256.85	142,338.72	2,733,171.98	16.051
1911	51,704.06	640.00	1,035.97		475.55	282.00	1.23	160.00	2,600.00	56,897.91	729,388.72	12.819
1912	188,258.13	2,537.52	3,920.12	2,836.04	6,657.43	1,604.84	700.00	876.48	2,820.24	210,210.86	3,889,868.37	16.126
1913	84,534.79	1,309.73	1,963.21	2,219.40	2,107.41	2,632.98	440.00	327.12	5,048.61	103,506.45	1,670,822.23	16.142
1914	19,030.32	23.02		1,218.65		3.93	313.18	1,596.60	647.36	33,132.06	325,712.85	14.079
1915	54,745.26	861.78		2,255.85	1,910.93	931.08	151.38	914.96	1,404.71	62,341.03	971,463.59	15.583
1916	11,747.54	1,720.62	2,720.18	1,999.86	1,999.86	1,579.07	1,167.81	200.82	869.69	19,799.19	1,979,599.19	15.751
1917	66,071.51	557.21	1,840.00	560.00	3,843.07	2,400.00	1,840.00	440.78	274.88	77,249.97	1,213,133.28	15.691
1918	102,544.68		2,489.24	14.63	2,921.74	1,282.79	211.70	440.00	884.40	110,219.76	1,870,368.24	16.960
1919	145,905.46	160.00	7,835.06	2,22.50	1,765.76	1,288.11	1,360.00	240.22	6,311.81	158,048.92	2,941,803.44	15.766
1920	22,096.93	1,042.00	7,290.22					160.32	2,511.23	24,270.70	369,095.36	15.207
1921	2,438.44							480.00		2,438.44	47,571.91	16.206
1922	630.01					4.31				634.32	7,391.32	11.206
1923	731.91		79.00			8.83	831.25			1,643.06	16,430.60	10.000
1924	145.83		120.00	.97		40.80	22.59		1.11	299.33	4,466.98	14.836
1925	2,026.62									2,067.42	49,822.34	24.123
1926	53,088.14									53,146.98	750,960.29	14.129
1927	46,592.89									46,592.89	653,190.81	14.019
1928	25,881.72	57.22		160.00	764.46	80.00			445.41	28,008.81	503,170.66	17.954
1929	116,201.05		494.60		880.00					117,714.35	1,640,782.70	13.94
1930	24,362.25		400.00	160.72	1,280.00	702.88			557.32	27,473.17	426,615.16	15.53
1931	1,431.00									1,431.00	18,546.00	12.13
1932	1,346.50									1,346.50	18,829.40	14.00
1933	808.32									825.32	6,755.33	8.181
1934	11,015.75		240.00		680.00	18.56			17.00	13,520.01	142,050.81	10.51
1935	2,193.52								1,565.70	2,355.22	35,223.53	14.955
1936	16,740.79				880.00		80.00	161.70	290.00	17,900.79	165,417.45	9.24
1937	1,950.90									1,950.90	13,792.00	7.07
TOTALS	1,358,924.13	894.91	33,001.20	12,465.20	52,807.70	35,984.35	16,093.84	14,989.81	67,572.21	1,624,041.09	\$24,977,024.39	\$15.38

This summary does not take into account cancelled certificates of purchase; it shows only the results of the sales as they are made. It will be noted that the average sales price for all these lands is \$15.38 per acre. Under the Enabling Act as originally passed by Congress, the minimum sales price on all lands was \$10.00 per acre. Through an amendment to the Enabling Act signed by the President on May 7, 1932, and accepted by the State in the Legislative Session of 1933, the minimum sales price on grazing land has been reduced to \$5.00 per acre. The minimum of \$10.00 per acre on agricultural lands has been retained.

Total acreage sold by the State, 1,624,041.09. Average price per acre, \$15.38. Number of acres returned to the State through default in contracts, 709,890.94. Acres remaining unsold, 4,345,219.66. See Table No. XVIII.

TABLE No. XVII.
EASEMENT DEEDS TO STATE LANDS ISSUED FROM
JULY 1, 1936, TO JUNE 30, 1938
(Numbers 2210 to 2349, Inclusive)

For What Purpose	No. of Deeds Issued	Acres	Compensation	Fees
Rights of Way for Public Highways	65	390.26	\$ 5,485.84	\$325.00
Telephone, Telegraph, Pipe and Power Lines.....	50	93.29	1,433.83	250.00
School House Sites.....	2	2.01	37.50	10.00
Canals, Ditches, Reservoirs and Dykes	23	180.03	3,276.41	115.00
TOTALS.....	140	665.59	\$10,233.28	\$700.00

All applications for right of way easements are passed upon by the State Board of Land Commissioners. Approximately 50 applications for easements are now pending.

OFFICERS OF STATE LAND DEPARTMENT FROM 1891 TO JULY 1, 1927.

YEAR	STATE LAND BOARD				REGISTER OF STATE LANDS	STATE LAND AGENT	STATE FORESTER
	Governor	Supt. Pub. Inst.	Sec'y of State	Atty. General			
1890-1892	Jos. K. Toole	John Gannon	L. Rotwitt	H. J. Haskell	S. A. Swiggett	Granville Stuart	
1893-1904	John E. Rickards	E. A. Steere	L. Rotwitt	H. J. Haskell	H. D. Moore	R. O. Hickman	
1895-1896	John E. Rickards	E. A. Steere	L. Rotwitt	H. J. Haskell	(Thos. D. Long	J. M. Page	
1897-1900	Robt. B. Smith	E. A. Carleton	T. S. Hogan	C. B. Nolan	John P. Schmit	Henry Neill	
1901-1904	Jos. K. Toole	W. W. Welch	Geo. M. Hays	James Donovan	F. H. Ray	Henry Neill	
1905-1908	Jos. K. Toole	W. E. Harmon	A. N. Yoder	Albert J. Galen	Sidney Miller	C. A. Whipple	C. W. Jungberg
1909-1912	Edw. L. Norris	W. E. Harmon	T. M. Swindlehurst	(D. M. Kelly	H. V. Bailey	C. A. Whipple	John C. Van Hook
1913-1916	S. V. Stewart	H. A. Davee	A. M. Alderson	J. B. Poindeexter	Sidney Miller	Geo. W. Cook	John C. Van Hook
1917-1920	S. V. Stewart	May Trumper	C. T. Stewart	S. C. Ford			R. P. McLaughlin
1921-1924	Jos. M. Dixon	May Trumper	C. T. Stewart	(W. D. Rankin			
1925-1927	J. E. Erickson	May Trumper	C. T. Stewart	(L. A. Foot	I. M. Brandjord	L. E. Choquette	Rutledge Parker

OFFICERS OF THE DEPARTMENT OF STATE LANDS AND INVESTMENTS
FROM JULY 1, 1927, TO JUNE 30, 1938.

YEAR	STATE BOARD OF LAND COMMISSIONERS				COMMISSIONER OF STATE LANDS AND INVESTMENTS	CHIEF FIELD AGENT	STATE FORESTER
	Governor	Supt. Pub. Inst.	Sec'y of State	Atty. General			
1927-1928	I. E. Erickson	May Trumper	J. W. Mountjoy	L. A. Foot	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1928-1930	I. E. Erickson	Elizabeth Ireland	W. E. Harmon	L. A. Foot	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1930-1932	I. E. Erickson	Elizabeth Ireland	W. E. Harmon	L. A. Foot	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1932-1934	F. H. Cooney	Elizabeth Ireland	Sam W. Mitchell	Raymond T. Nagle	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1934-1936	F. H. Cooney	Elizabeth Ireland	Sam W. Mitchell	Raymond T. Nagle	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1936-1937	Elmer Holt	Elizabeth Ireland	Sam W. Mitchell	Raymond T. Nagle	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1937-1938	Ray E. Ayers	Ruth Reardon	Sam W. Mitchell	Enor K. Matson Harrison J. Freebourn	Nautia B. Sherlock	H. C. Biering	Rutledge Parker

By Act of the 1927 Legislative Assembly the name of the State Land Department was changed to the Department of State Lands and Investments. The Register became Commissioner, and the Land Agent became Chief Field Agent.

TABLE No. XVIII.
LANDS UNSOLD IN EACH GRANT JUNE 30, 1938

COUNTY	Public School	State University	Agri. College Grant (30,000 Acres)	Agri. College Second Grant (50,000 Acres)	School of Mines	State Normal Schools	Deaf & Dumb Asylum	State Reform School	Public Buildings	TOTALS
	Acres	Acres	Acres	Acres	Acres	Acres	Acres	Acres	Acres	Acres
1. Beaverhead.....	258,651.35	.....	10,360.31	.....	7,169.08	16,905.39	6,320.00	5,960.00	11,733.65	317,099.18
2. Big Horn.....	89,066.72	.....	.....	.....	.....	.....	.....	.....	.....	89,066.72
3. Blaine.....	169,791.36	.....	785.06	.....	1,000.49	1,031.47	.....	40.00	.....	172,648.38
4. Broadwater.....	19,197.84	320.00	.....	.....	.....	.....	.....	.....	8,900.12	28,417.96
5. Carbon.....	37,532.83	.....	3,573.57	.....	.....	.....	.....	3,248.81	.....	44,355.21
6. Carter.....	139,545.76	.....	.....	.....	228.37	27.75	.....	141.06	440.00	140,382.94
7. Cascade.....	79,428.92	214.29	760.00	.....	4,909.01	482.36	.....	2,193.42	480.00	81,408.00
8. Chouteau.....	224,544.13	.....	13,431.94	.....	14,114.85	10,652.21	.....	1,095.19	2,165.92	266,004.24
9. Custer.....	124,850.43	480.00	.....	.....	.....	.....	.....	.....	.....	125,330.43
10. Daniels.....	236,601.38	.....	.....	.....	.....	.....	.....	.....	480.00	236,601.38
11. Dawson.....	71,557.39	.....	.....	.....	.....	.....	.....	.....	.....	72,037.39
12. Deer Lodge.....	8,404.27	.....	.....	.....	.....	.....	.....	.....	.....	8,404.27
13. Fallon.....	52,482.66	.....	.....	.....	.....	.....	.....	.....	.....	52,482.66
14. Ferns.....	145,456.60	2,240.00	.....	.....	9,693.32	9,733.90	5,381.67	2,577.31	20,237.68	147,696.60
15. Flathead.....	72,925.69	.....	3,428.05	13,097.52	4,893.39	1,940.12	2,574.86	642.32	7,344.00	137,045.15
16. Gallatin.....	28,823.94	1,753.24	.....	495.47	.....	.....	.....	.....	.....	28,417.34
17. Garfield.....	152,403.14	.....	.....	.....	.....	.....	.....	.....	.....	152,403.14
18. Glacier.....	43,119.66	3,957.65	.....	.....	.....	.....	.....	.....	208.93	47,077.59
19. Golden Valley.....	13,631.84	.....	.....	.....	.....	.....	.....	.....	.....	13,631.84
20. Granite.....	19,235.88	.....	.....	.....	.....	.....	.....	.....	.....	19,235.88
21. Hill.....	24,447.82	.....	.....	.....	.....	539.41	.....	40.00	.....	24,487.82
22. Jefferson.....	24,649.86	360.00	800.00	3,190.94	.....	.....	2,520.00	.....	.....	27,939.49
23. Judith Basin.....	81,583.39	.....	.....	.....	3,299.13	.....	.....	758.68	.....	81,698.52
24. Lake.....	65,718.13	320.84	.....	320.00	1,220.20	1,000.07	1,078.09	.....	157.35	67,814.68
25. Lewis & Clark.....	100,751.08	480.00	7,977.81	1,040.00	4,603.63	1,366.01	2,200.00	1,000.00	8,518.06	127,936.59
26. Liberty.....	92,568.63	.....	.....	.....	.....	.....	.....	.....	143.00	92,711.63
27. Lincoln.....	48,844.96	.....	.....	.....	480.00	.....	.....	.....	11,157.32	60,482.28

TABLE No. XIX.

STATE LAND AGRICULTURAL AND GRAZING LEASES
IN EFFECT JUNE 30, 1938Showing the Number of Acres Under Lease in Each
Grant and the Annual Rental.

Name of Grant	Grazing Acreage	Annual Grazing Rental	Agri- cultural Acreage	Annual Agri- cultural Rental	Acres Under Crop Share Leases
Public School	2,712,725.80	\$147,494.19	25,515.92	\$16,586.85	306,732.75
State University	10,769.39	613.10	114.00	148.00	180.00
Agri. Morrill Grant	55,799.07	3,453.31	380.00	206.00	.....
Agri. Col. Sec. Grant	15,194.41	644.30	65.00	56.00	.....
School of Mines	33,290.80	1,717.88	637.00	464.00	2,958.74
State Normal School	41,902.62	2,123.55	180.00	171.00	699.00
Deaf & Dumb Asylum	22,492.84	1,244.95	.....	.....	.....
State Reform School	24,425.69	1,400.34	100.00	76.00	80.00
Capitol Building	41,917.24	2,883.63	290.00	196.00	1,000.00
Soldiers' Home	1,296.64	53.45	.....	.....	.....
O. H. & T. B. Society	45.00	5.00	.....	.....	.....
State Prison Site .....	.....	.....	10.00	100.00	.....
General Fund	20.00	20.00	10.00	50.00	.....
TOTALS	2,961,879.50	\$161,653.10	27,301.92	\$18,053.85	311,650.49

Total Acreage Under Grazing Leases	2,961,879.50	
Total Annual Grazing Rental		\$161,653.10
Total Acreage Under Agricultural Leases (Except Crop Share Leases)	27,301.92	
Total Annual Agricultural Rental (Except Crop Share Leases)		18,053.85
TOTALS	2,989,181.42	\$179,706.95
Acreage Under Crop Share Leases	311,650.49	
Total Amount Received from Crop Share Leases		27,503.52
Total Acreage Under Lease	3,300,831.49	
Total Amount Received from Leases		\$207,210.47

Minimum Share Rental—One-fifth of all crops raised, delivered in elevator.
Total number of leases in effect including 1829 crop share leases—3,958.

Average Grazing Rentals per acre..... .054572
Average Agricultural Cash Rental per acre..... .661508

LEASING OF STATE LANDS FOR OIL AND GAS, COAL AND OTHER MINERALS

TABLE No. XX.

OIL AND GAS, COAL AND MINING LEASES IN EFFECT JUNE 30, 1938

Grant	Number	Acreage	Annual Rental
Oil and Gas Leases			
Public School Lands.....	95	35,433.23	\$29,356.98
Public Building Lands.....	5	499.29	403.96
Farm Loan Lands.....	12	3,280.05	3,788.00
School of Mines Lands.....	1	640.00	480.00
Totals.....	113	39,852.57	\$34,028.94
Coal Leases			
Public School Lands.....	20	3,670.00	\$ 1,375.00
*Placer Mining Leases			
Public School Lands.....	3	1,495.00	\$ 781.25

*So far commercial production has not been obtained under any of these leases and consequently no royalties have been received.

The leasing of state lands for oil and gas exploration and development is governed by Sections 1882.1 to 1882.24, Revised Codes of Montana, 1935.

Under this legislation, oil and gas leases on state lands are granted for a period not exceeding ten years and as long thereafter, during the term of fifteen years commencing with the date of the lease, as oil or gas in commercial quantities is produced from the land. The minimum annual rental is fixed at the flat rate of seventy-five cents per acre, but with a minimum total rental under each lease of \$50.00 per annum. No oil and gas lease shall include more than one section of land, but several leases may be issued to the same lessee.

The statutes require that at least one well shall be drilled under each lease within two years after the date of its issue, but power and authority is given to the State Board of Land Commissioners to extend the time for the commencement or completion of such drilling from year to year not exceeding ten years from the date of the lease upon such terms and conditions as the Board may determine. It has been the general practice of the Board to grant such extension of time upon the payment of a penalty of \$1.00 per acre per annum. Such extension of time for drilling does not release the lessee from the obligation of drilling offset wells.

During the last fiscal year the penalties for failure to drill and for extension of time amounted to \$9,571.29.

In addition to these rentals and penalties for delay in drilling, there is reserved to the state a royalty on the oil and gas produced and saved

of twelve and one-half per centum of the production. In case of heavy production a graduated scale of higher royalties becomes effective. The royalty on gas is fixed at the flat rate of twelve and one-half per centum.

The lessee is required to furnish a surety company bond in the amount of \$1,000.00 conditioned for the faithful performance of his obligations under the lease, and the State Board of Land Commissioners reserves the right to increase this bond if found necessary.

On January 22, 1934, the State Board of Land Commissioners ruled that all lands for which applications for oil and gas leases have been filed shall be advertised in two issues of the Montana Oil Journal before granting such applications. In the case of more than one applicant, the lease is issued to the highest and best bidder.

All rentals on oil and gas mining leases are credited to the Income Fund of the school or institution to which the lands belong; all royalties are added to the permanent funds. All rentals on coal leases are regarded as payment of royalties for the coal taken and are therefore added to the permanent funds.

During the two fiscal years covered by this report oil royalties amounting to \$2,546.88 were obtained from lands in and adjoining the townsite of Cut Bank belonging to the Capitol Building Grant, see Tables III and IV. With this exception all oil so far discovered on state lands has been on lands belonging to the public schools, which constitute approximately ninety per cent of all state owned lands.

TABLE No. XXI.

RENTALS AND ROYALTIES ON COAL, OIL AND GAS LEASES AND SAND AND GRAVEL PERMITS

Collected From December 1, 1918, to June 30, 1938.

Fiscal Year Ending	Coal, Sand and Gravel Rentals and Royalties	Rentals on Oil & Gas Leases	Oil & Gas Royalties	TOTALS
Nov. 30, 1919.....	\$11,225.84	\$ 15,243.20	\$ None	\$ 26,469.04
Nov. 30, 1920.....	11,486.53	55,901.00	None	67,387.53
June 30, 1921.....	4,539.74	29,601.27*	None	34,141.01
June 30, 1922.....	5,923.20	29,601.27*	2,759.71	38,284.18
June 30, 1923.....	5,148.53	83,430.70	5,132.25	93,711.48
June 30, 1924.....	4,239.50	39,832.78	6,905.82	50,978.10
June 30, 1925.....	1,733.25	33,950.00	8,504.18	44,187.43
June 30, 1926.....	2,254.64	32,300.00	185,189.46	219,744.10
June 30, 1927.....	1,334.51	38,260.00	313,997.30	353,591.81
June 30, 1928.....	2,549.45	92,849.78	155,689.97	251,089.20
June 30, 1929.....	2,033.90	56,147.89	138,806.57	196,988.36
June 30, 1930.....	1,810.23	93,279.04	150,471.53	245,560.90
June 30, 1931.....	1,652.41	59,049.36	61,477.33	122,179.10
June 30, 1932.....	2,555.00	34,093.94	61,331.76	97,980.70
June 30, 1933.....	1,880.51	23,671.21	33,701.30	59,253.02
June 30, 1934.....	2,505.99	31,924.77	44,289.94	78,720.70
June 30, 1935.....	2,432.19	27,929.97	50,286.88	80,649.04
June 30, 1936.....	5,018.54	35,844.59	85,272.65	126,135.78
June 30, 1937.....	5,565.59	26,283.46	64,436.68	96,285.73
June 30, 1938.....	5,001.53	33,620.24	47,915.07	86,536.84
Totals.....	\$80,891.08	\$872,814.47	\$1,416,168.40	\$2,369,873.95

*Rentals for the two years averaged.

Of the oil and gas royalties above listed, \$7,071.12 received during the last four fiscal years belongs to the Capitol Building Grant and has been expended in payment of outstanding capitol building bonds. The remainder of these oil and gas royalties has come from lands belonging to the public schools and has been added to the Public School Permanent Fund.

TABLE No. XXII.
CONDITION OF STATE FARM LOANS AND CONTRACTS
JUNE 30, 1938

Classification	No. of Loans	Acres	Original Amount of Loan	Unpaid Principal
1. Loans still carried in original form	2	560.00	\$ 2,200.00	\$ 642.52
2. Loans converted and amortized not subject to foreclosure.....	81	27,723.62	153,350.00	134,482.48
3. Loans under which State has taken title and lands have not been resold.....	647	221,523.23	1,232,076.70	1,413,541.50
4. Loans converted and amortized under which State has taken title and lands have not been resold	158	59,664.34	293,750.00	315,553.53
5. Sales contracts in force.....	584	200,645.26	1,171,897.79	1,206,131.37
6. Sales contracts cancelled and the lands not resold.....	453	158,631.07	969,990.40	1,082,717.52
TOTALS.....	1,925	668,747.52	\$3,823,264.89	\$4,153,068.92

**TAXES AND COSTS PAID BY THE STATE IN CONNECTION
WITH ITS FARM LOANS**

(Included in "Unpaid Principal" in table above given)

Up to June 30, 1922.....	\$ 45,297.66
Year ending June 30, 1923.....	75,630.72
Year ending June 30, 1924.....	169,566.59
Year ending June 30, 1925.....	137,633.90
Year ending June 30, 1926.....	45,777.63
From June 30, 1926, to June 30, 1928.....	49,177.17
Year ending June 30, 1929.....	9,166.18
Year ending June 30, 1930.....	14,009.14
Year ending June 30, 1931.....	11,162.88
Year ending June 30, 1932.....	12,488.40
Year ending June 30, 1933.....	15,667.31
Year ending June 30, 1934.....	15,844.72
Year ending June 30, 1935 (net amount)	1,053.82
Year ending June 30, 1936 (net amount)	14,559.07
Year ending June 30, 1937.....	1,431.88
Year ending June 30, 1938.....	10,510.83
TOTAL.....	\$628,977.90

**TOTAL INVESTMENT IN FARM LOANS AT CLOSE OF EACH
FISCAL YEAR**

June 30, 1924.....	\$4,551,655.03
June 30, 1925.....	4,595,261.19
June 30, 1926.....	4,549,039.77
June 30, 1927.....	4,529,084.23
June 30, 1928.....	4,433,894.77
June 30, 1929.....	4,342,179.76
June 30, 1930.....	4,301,561.94
June 30, 1931.....	4,270,942.18
June 30, 1932.....	4,273,807.84
June 30, 1933.....	4,281,631.32
June 30, 1934.....	4,270,562.27
June 30, 1935.....	4,233,866.27
June 30, 1936.....	4,191,352.33
June 30, 1937.....	4,168,677.75
June 30, 1938.....	4,153,068.92

PERTINENT FACTS AND FIGURES RELATING TO FARM LOANS

Date first loan issued, December 23, 1916.

Date last loan issued, December 24, 1924.

2,363 original loans made.

803,162.23 acres involved.

\$4,648,750.00 invested.

438 loans paid in full up to June 30, 1938.

1,925 loans still in effect in some form.

1,842, number of above loans to which state has taken title. (95.6%.)

584 amortization sales contracts on farm loan land in effect.

\$628,977.90 paid by state in taxes, foreclosure costs, abstract continuation and other costs to protect its investment. (This amount included in "Unpaid Principal" in foregoing table.)

852 Farm Loan Leases in effect.

Improvements of value, in some large amount, were involved in all original farm loan transactions and in recognition of this situation and the likelihood of unwarranted deterioration or removal of such improvements, this department is making special effort to place all unoccupied farm loan lands under lease. The field division has given special attention to this phase of field work during the present season and on June 30, 1938, there were 852 Farm Loan Leases in effect.

To protect its investment, the State has been obliged to pay out in taxes, foreclosure costs, abstract continuations, and other costs a total of \$628,977.90. On December 10, 1937, the State Board of Land Commissioners adopted a resolution making it impossible for any further large amounts of taxes to be paid by the State. This resolution provides that procedure to secure title, either through foreclosure or by securing a quit-claim deed, shall be promptly started in any case where the property taxes on mortgage lands are not paid when due.

OPERATION OF THE STATE FARM LOAN SINKING FUND

The 1935 Legislature, realizing the obligation of the State of Montana to protect the Public School Permanent Fund against loss or diversion, as provided by Section 3 of Article XI of the State Constitution, passed Chapter 127 setting up a fund to be known as the State Farm Loan Sinking Fund. The purpose of this fund was to provide for the repayment to the Public School Permanent Fund of the entire investment in farm loans as of January 1, 1935, the total being \$4,250,625.95. To accomplish this end, the fund operates as follows: All moneys received from farm loans, from whatever source, are credited to the State Farm Loan Sinking Fund. A quarterly transfer is then made to the Public School Permanent Fund and the Public School Interest and Income Fund, the amount transferred to the latter being interest at the rate of 2% per annum on the unpaid balance of the total investment. Whatever is left in the sinking fund

over and above the amount of the interest thus paid, is transferred to the Public School Permanent Fund, which is thus slowly being reimbursed for its investment in farm loans.

All taxes and other costs are paid out of the State Farm Loan Sinking Fund, but the net transfers since the act went into effect on March 13, 1935, have amounted to nearly \$440,000.00, of which \$186,747.48 has gone into the Public School Permanent Fund.

ADMINISTRATION OF MORTGAGE LANDS

Under a ruling by the Attorney General, the remaining 640,000.00 acres of mortgage lands may now be sold for the amount of the investment without including accrued interest in the sales price. Many mortgagors have taken advantage of this ruling and are now buying their lands back for considerably less than would have been necessary under the old plan. There are, however, approximately 440,000 acres which are not under sales contract.

For the benefit of the State and the benefit of the lands themselves, this department is endeavoring to lease this acreage as rapidly as possible. The co-operation of the field department in this work is especially important, for it involves checking up the present condition of the land, appraisals of improvements, and re-appraisal of the land itself, all of which requires first-hand knowledge of conditions from investigation on the ground.

Needless to say, the efficient handling of the State's mortgage lands, as well as all state lands, would be greatly increased and the income from the same substantially augmented if a larger field staff were made available.

TABLE No. XXIII.

**ANNUAL APPORTIONMENT OF THE INCOME FROM THE
PUBLIC SCHOOL PERMANENT FUNDS, ETC., TO
THE SCHOOL DISTRICTS OF THE STATE**

Year in Which Apportioned	Total Income	Less 5% Added to Permanent Fund	Amount Apportioned	Number of Persons of School Age	Amount Per Capita
1889 to 1896.....	\$	\$	\$ 51,027.60	39,252	\$1.30
1897 .....	.....	.....	17,731.56	42,218	.42
1898 .....	.....	.....	28,630.98	46,179	.62
1899 .....	.....	.....	41,561.52	49,478	.84
1900 .....	.....	.....	80,428.50	53,619	1.50
1901 .....	.....	.....	105,842.20	57,212	1.85
1902 .....	.....	.....	138,905.00	61,736	2.25
1903 .....	.....	.....	168,019.80	64,623	2.60
1904 .....	.....	.....	169,786.65	66,582	2.55
1905 .....	.....	.....	183,366.75	69,195	2.65
1906 .....	.....	.....	205,360.60	70,814	2.90
1907 .....	.....	.....	217,494.00	72,498	3.00
1908 .....	.....	.....	227,071.30	73,249	3.10
1909 .....	.....	.....	250,380.00	77,040	3.25
1910 .....	.....	.....	305,793.75	81,545	3.75
1911 .....	.....	.....	266,415.00	88,805	3.00
1912 .....	.....	.....	345,404.50	98,687	3.50
1913 .....	.....	.....	419,096.00	104,774	4.00
1914 .....	.....	.....	513,144.00	114,032	4.50
1915 .....	.....	.....	632,085.00	126,417	5.00
1916 .....	.....	.....	713,291.25	135,865	5.25
1917 .....	.....	.....	810,991.50	147,453	5.50
1918 .....	.....	.....	877,526.00	159,552	5.50
1919 .....	.....	.....	890,873.50	161,971	5.50
1920 .....	.....	.....	969,756.00	161,625	6.00
1921 .....	.....	.....	954,418.20	156,426	6.10
1922 .....	.....	.....	785,082.90	160,211	4.90
1923 .....	.....	.....	936,794.40	160,410	5.84
1924 .....	.....	.....	892,363.54	157,745	5.67
1925	861,278.56	43,063.93	818,214.63	157,872	5.18
1926	1,252,595.83	62,629.79	1,189,966.04	156,383	7.61
1927	1,365,181.09	68,259.05	1,296,922.04	154,458	8.3966
1928	1,233,910.50	61,695.53	1,172,214.97	152,119	7.70509
1929	1,340,903.71	67,045.19	1,273,858.52	157,747	8.07532
1930	1,426,973.50	71,348.68	1,355,624.82	160,846	8.42869
1931	1,143,847.76	57,192.39	1,086,655.37	160,836	6.75629
1932	878,693.71	43,934.69	834,759.02	161,372	5.17288
1933	744,133.56	37,206.68	706,926.88	161,909	4.36619
1934	832,656.52	41,632.83	791,023.69	162,099	4.87988
1935	1,045,713.87	52,285.69	993,428.18	162,807	6.10187
1936	1,058,184.61	52,909.23	1,005,275.38	163,053	6.16532
1937	882,322.17	44,116.11	838,206.06	163,286	5.13361
1938	847,371.91	42,368.60	805,003.31	160,204	5.02486

*There was a balance of \$124.42 not apportioned.

In the years 1925, 1926, and 1927 the total income included almost \$469,000.00 in receipts from oil license taxes and metalliferous mines taxes. Chapter 119 of the 1927 Session Laws provided that proceeds from such taxes should no longer go into the Public School Interest and Income Fund, but into the State Common School Equalization Fund. From time to time various statutes have been enacted to add parts of miscellaneous taxes to the Public School Interest and Income Fund. At the present time the only one of these which is in effect is Chapter 83 of the 1937 Session Laws, providing for the addition of 25% of the Electrical Energy tax to the Public School Interest and Income Fund.

TABLE No. XXIV.
INCOME OF THIS DEPARTMENT APPORTIONED TO THE COUNTIES OF THE STATE
IN THE YEARS 1930 TO 1938 INCLUSIVE

(The rate is the amount per census person between the ages of 6 and 21.)

Name of County	1930 Rate \$8.4286915 Amount	1931 Rate \$6.75629443 Amount	1932 Rate \$5.17288638 Amount	1933 Rate \$4.30619879 Amount	1934 Rate \$4.87988014 Amount	1935 Rate \$6.10187634 Amount	1936 Rate \$6.16532895 Amount	1937 Rate \$5.13336147 Amount	1938 Rate \$5.024863985 Amount
Beaverhead.....	\$ 12,810.70	\$ 10,445.23	\$ 8,245.58	\$ 7,221.69	\$ 7,749.25	\$ 9,726.39	\$ 9,519.27	\$ 7,966.98	\$ 7,366.45
Big Horn.....	23,286.82	19,005.46	15,177.25	13,124.79	14,951.95	19,855.51	21,079.26	17,817.90	17,127.72
Blaine.....	22,106.88	19,093.29	14,985.82	12,448.03	14,156.53	18,482.58	18,274.03	14,979.15	14,732.90
Broadwater.....	6,599.20	5,107.76	4,065.89	3,562.81	3,928.30	4,826.58	5,104.89	3,800.29	3,808.85
Carbon.....	37,299.02	29,180.44	22,931.41	18,831.42	20,597.98	25,078.71	24,655.15	19,085.84	18,627.17
Carter.....	10,484.55	8,499.42	6,616.12	5,728.45	6,319.45	7,474.80	7,466.21	5,728.63	4,914.32
Cascade.....	99,114.35	76,515.03	58,463.96	49,573.82	54,396.02	66,069.10	67,578.17	55,178.50	52,836.54
Chouteau.....	29,005.75	17,796.08	13,196.03	11,356.48	12,541.29	19,062.26	18,761.10	11,452.53	10,617.54
Custer.....	27,121.60	22,761.96	16,938.08	14,168.32	15,317.94	21,361.69	21,033.91	9,055.25	15,119.82
Danals.....	16,704.48	13,181.53	9,690.88	8,243.38	9,457.21	11,361.69	11,965.77	14,388.81	13,436.49
Dawson.....	25,570.83	20,181.05	15,182.42	12,819.16	14,542.04	18,281.22	17,965.77	18,002.70	17,526.73
Deer Lodge.....	12,861.27	10,783.60	8,328.35	7,073.24	7,695.57	10,980.30	9,272.65	7,492.84	6,688.09
Fallon.....	43,505.81	33,839.60	25,900.64	21,909.59	24,706.83	30,570.40	30,043.65	23,565.66	20,958.71
Fergus.....	49,582.46	41,924.22	32,196.28	27,285.64	30,794.21	38,923.87	40,919.29	36,256.93	37,214.14
Flathead.....	43,488.95	35,004.36	27,296.28	22,909.46	25,658.41	39,554.82	32,084.37	26,565.15	25,350.44
Gallatin.....	11,420.66	9,141.27	6,874.77	5,737.19	6,558.56	8,006.69	7,466.21	5,600.50	4,663.07
Garfield.....	15,861.67	12,891.01	10,459.58	8,789.16	10,603.98	14,729.93	15,388.66	13,706.07	13,180.22
Glaacier.....	6,169.36	4,749.67	3,496.87	2,820.56	3,171.92	4,377.06	5,008.72	2,813.08	2,562.68
Golden Valley.....	6,776.18	5,418.55	4,288.32	3,557.89	3,801.43	4,887.60	5,018.58	4,512.23	4,592.38
Groffmite.....	9,255.18	7,175.18	5,493.60	4,715.92	5,211.71	6,886.29	6,726.37	5,538.63	5,301.23
Jefferson.....	13,990.63	10,749.26	7,809.09	6,606.06	7,178.30	8,762.29	8,495.82	6,539.90	5,793.22
Lake.....	28,748.92	25,315.84	20,463.94	17,836.94	21,251.88	25,005.49	27,256.92	23,110.39	24,646.96
Lewis & Clark.....	38,532.50	31,619.46	23,616.08	20,947.75	23,277.03	29,777.16	30,156.72	24,886.54	24,064.07
Liberty.....	6,527.36	4,972.63	3,894.15	3,294.79	3,420.12	4,350.13	4,315.73	3,470.15	3,231.48
Lincoln.....	17,833.84	13,803.11	10,919.36	9,348.03	10,335.23	12,384.27	12,546.03	11,194.75	11,044.75
McCone.....	14,693.70	10,674.95	8,690.39	7,343.95	8,636.68	9,769.30	8,846.03	8,290.28	7,190.58
Madison.....	14,691.77	11,483.70	8,737.00	7,306.62	8,139.64	10,680.30	10,786.48	8,290.28	8,246.36
Meagher.....	4,669.16	3,776.77	2,837.18	2,327.18	2,661.94	3,197.38	3,136.65	2,537.56	2,357.96
Mineral.....	3,758.93	3,202.48	2,446.78	1,956.06	2,298.42	2,928.58	2,922.37	2,428.68	2,307.56

Missoula.....	49,430.76	40,632.35	31,311.48	26,083.68	29,586.71	37,428.91	38,847.74	33,967.45	34,279.62
Musselshell.....	21,567.48	16,701.56	12,451.14	10,234.37	10,994.37	13,503.45	12,793.06	10,233.66	9,507.04
Park.....	24,846.01	19,532.45	15,875.59	13,635.64	15,352.10	19,050.06	19,001.54	15,764.55	15,921.80
Petroleum.....	5,259.13	4,047.92	2,984.76	2,602.25	2,898.65	3,478.07	3,224.47	2,925.41	2,920.00
Phillips.....	22,696.85	17,444.75	13,765.05	11,496.20	12,580.33	16,267.60	15,474.98	12,551.07	12,260.67
Pondera.....	18,297.37	14,688.18	11,499.33	9,631.83	10,696.70	13,820.75	13,578.16	11,375.53	10,833.61
Powder River.....	9,641.74	8,033.23	6,248.85	5,510.14	6,207.21	7,493.10	7,330.58	5,800.70	5,385.66
Powell.....	13,046.68	9,985.80	8,209.37	6,632.26	7,895.65	9,213.83	9,063.03	7,330.44	6,438.39
Prairie.....	11,175.65	8,884.53	6,848.90	5,680.42	6,007.13	7,084.28	6,652.30	5,228.43	4,436.36
Ravalli.....	25,891.10	21,775.54	16,548.06	14,290.92	16,254.88	20,053.24	21,584.82	17,728.10	16,288.96
Richland.....	27,644.14	23,288.95	18,306.84	15,369.02	17,772.52	20,313.15	21,239.56	17,463.50	16,823.24
Roosevelt.....	33,080.26	27,991.33	21,974.42	18,425.36	21,751.88	26,313.02	26,373.48	20,328.71	19,069.36
Rosbud.....	18,288.55	15,929.09	11,463.12	9,885.41	11,494.29	13,333.96	14,118.60	11,184.46	11,007.48
Sanders.....	12,633.70	9,620.06	7,867.06	6,577.19	7,420.05	10,489.13	10,838.65	9,327.52	8,657.19
Sheridan.....	29,082.24	23,072.75	17,602.33	15,178.14	16,630.63	20,319.25	19,507.10	15,616.55	14,654.54
Silver Bow.....	125,924.58	55,452.32	70,827.16	60,179.33	67,527.78	84,302.53	85,617.92	71,358.86	70,949.09
Stillwater.....	16,063.47	12,377.46	10,175.07	8,588.31	9,559.69	11,642.38	11,325.71	8,983.38	8,367.39
Sweet Grass.....	3,903.00	2,823.79	2,690.18	4,881.41	5,319.07	6,766.98	6,535.25	5,482.43	5,291.18
Teton.....	16,771.30	13,370.71	9,890.56	8,509.72	9,218.09	11,337.29	11,633.98	9,850.92	10,387.49
Toole.....	14,007.49	11,857.30	8,845.64	7,793.66	8,534.91	10,946.77	10,974.29	8,921.78	8,436.75
Treasure.....	4,239.33	3,418.68	2,741.63	2,344.65	2,654.65	3,307.22	3,390.93	2,607.75	2,372.73
Valley.....	33,636.06	26,363.06	19,931.13	16,958.32	18,914.42	29,758.85	33,107.82	31,195.44	25,476.06
Waller.....	9,852.41	7,156.23	5,990.20	4,977.41	5,402.03	6,547.31	6,504.42	5,425.96	5,085.16
Wheatland.....	8,124.68	6,560.36	5,022.87	4,235.21	4,601.73	5,546.61	5,425.49	4,435.23	3,849.05
Willbux.....	79,114.57	65,603.62	52,892.76	44,622.55	50,823.55	64,997.19	66,055.33	58,217.45	59,001.95
TOTALS.....	\$1,355,624.82	\$1,086,655.37	\$834,759.02	\$706,926.88	\$791,023.69	\$993,428.18	\$1,005,275.38	\$838,206.06	\$805,003.31

TOTAL OF ALL APPORTIONMENTS FOR THE NINE YEARS.....\$8,416,902.71

TABLE No. XXV.

ADDITIONS TO THE PUBLIC SCHOOL PERMANENT FUND

(Under constitutional provision that 5% of the income for the Public School Interest and Income Fund shall be added annually to the Permanent Fund.)

Month Transfer Was Made	Amount
March, 1921	\$ 7,442.22
March, 1922	41,253.83
March, 1923	49,314.52
March, 1924	46,967.18
March, 1925	43,063.93
March, 1926	53,275.11
February, 1927	68,259.05
February, 1928	61,695.53
April, 1929	67,045.19
March, 1930	71,348.68
April, 1931	57,192.39
April, 1932	43,934.69
March, 1933	37,206.68
February, 1934	41,632.83
January, 1935	52,285.69
January, 1936	52,909.23
January, 1937	44,116.11
May, 1938	42,368.60
TOTAL.....	\$881,311.46

TABLE No. XXVI.
COST OF ADMINISTRATION

	July 1, 1936 to June 30, 1937	July 1, 1937 to June 30, 1938
1. Salaries:		
Commissioner	\$ 3,600.00	\$ 3,600.00
Assistant Commissioner	1,638.70*	2,000.00*
Other Salaries	15,747.32	14,472.39
2. Official Bonds	60.00	65.00
3. Industrial Accident Insurance	57.73	31.48
4. Legal Advertising	756.15	605.00
5. Furniture, Equipment, and Repairs.....	718.70	322.15
6. Postage	1,738.88	885.00
7. Other Operating Expenses	2,131.96	1,908.97
Totals.....	<u>\$26,449.44</u>	<u>\$23,889.99</u>

Field Division—Under Chief Field Agent

1. Salaries:		
Chief Field Agent.....	\$ 3,250.00	\$ 3,250.00
Others	5,245.20	5,954.69
2. Traveling and Other Operating Expenses	5,028.24	5,639.59
3. Capital and Repairs.....	691.10	39.83
Totals.....	<u>\$14,214.54</u>	<u>\$14,884.11</u>
Total for Department.....	<u>\$40,663.98</u>	<u>\$38,774.10</u>

*The salary of the Assistant Commissioner is fixed by law at \$2,400.00 per year, but as the department was without an assistant commissioner from March 7 to September 1, 1937, the actual expenditure for the two fiscal years was less than this amount.

